



City of Middletown

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Minutes

Regular Meeting of March 1, 2016
Insurance and Claims Committee

Present: Chairman Grady Faulkner, Council Member Linda Salafia and Council Member Robert Blanchard

Also Present: Brig Smith, General Counsel; Matthew Bacon, Claims Administrator; Nancy Conaway-Raczka, Risk Manager

A. Call to Order

Chairman Faulkner called the meeting to order at 7:08 p.m.

B. Approval of Minutes

Council Member Blanchard made a motion to approve the minutes of February 2, 2016. Chairman Faulkner seconded the motion. Chairman Faulkner and Council Member Blanchard voted to approve. Council Member Salafia joined the meeting in progress. Motion passed.

C. Public Session

No members of the public were present for the Public Session.

D. Executive Session

Motion to go into executive session by Chairman Faulkner, seconded by Council Member Blanchard. Chairman Faulkner and Council Member Blanchard voted to approve. Council Member Salafia joined the meeting in progress. Motion passed.

General Counsel Brig Smith presented discussion regarding strategy and negotiations with respect to 1153 Newfield St vs. City of Middletown., pursuant to sections 1-200 (6) (B) and 1-225 of the Connecticut General Statutes, as amended.

Motion to rise from Executive Session by Council Member Blanchard, seconded by Chairman Faulkner, Chairman Faulkner and Council Member Blanchard voted to approve. Council Member Salafia joined the meeting in progress. Motion passed.

Motion to approve settlement of 1153 Newfield St vs. City of Middletown as discussed in executive session by Council Member Blanchard, seconded by Chairman Faulkner. Both Chairman Faulkner and Council Member Blanchard voted to approve. Council Member Salafia joined the meeting in progress. Motion passed.

E. Report on Claims Settled Within General Counsel's Settlement Authority or City's insurance carrier, CIRMA

No closed claims to report.

F. Other Business

1. Nancy Conaway-Raczka presented the monthly accounting report of insurance funds balances.
2. Nancy Conaway-Raczka presented information that the workers compensation exposure liabilities are currently down from prior year by over \$300,000. She also updated the committee on the renewal of the CIRMA liability, auto and property insurance policy. When the existing 3-year contract was offered, the City's loss trends resulted in a policy that had a 20% premium increase in year one, a 10% increase in year two, and a 10% increase in year three. Based on the City's favorable claims experience and loss trends, CIRMA eliminated the 10% premium increase for the third year of the contract (the 2016/2017 policy year), decreasing it to 0%. Second, CIRMA has offered a two year extension on the insurance contract with a capped increase of 3%, so that the City will pay no more than a 3% increase in the 2017/2018 policy year and no more than a 3% increase in the 2018/2019 policy year. The City has accepted these terms and has locked in the rates at 0% for the final year of the current contract and $\leq 3\%$ for year one and two of the extension.

G. Adjournment

The Committee adjourned at 7:43 p.m. on motion of Council Member Blanchard, seconded by Council Member Salafia, and carried unanimously.

Grady Faulkner, Chair

cc: Hon. Daniel T. Drew, Mayor
Joe Samolis, Chief of Staff

Council Member Linda Salafia
Council Member Robert Blanchard
OGC Personnel
Carl Temme, H.D. Segur

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